



HERC
Resource Center
Director: Paul G. Barnett, PhD
Executive Summary for Fiscal Year 2008

The HSR&D Health Economics Resource Center (HERC) is dedicated to increasing the quality of VA health economics research and cost-effectiveness studies. It is a national center that helps VA researchers determine the cost of VA care, assess cost-effectiveness, and evaluate the efficiency of VA programs and providers.

HERC operates an economics consulting service, teaches courses on health economics and econometrics, and coordinates health economics Cyber-Seminars. HERC estimates the cost of all VA health care encounters, develops guidebooks to VA data, issues technical reports with analyses of economic data, and a bulletin to update customers on HERC activities.

The expertise of HERC economists is developed in their participation in economic studies that are funded by VA HSR&D, the QUERI Program, the Cooperative Studies Program, and the National Institutes of Health.

HERC plans to undertake the following activities in FY09:

- Customer support and average cost products

HERC will offer its course on economic analysis with experimental data for the seventh time in 2009. This course, which describes methods of cost-effective analysis and VA economic data, will be revised to enhance student interaction and update content. HERC will continue to issue the VA Health Economics Bulletin, provide consulting services that answers researchers' questions, and assist in HSR&D reviews of economic research. HERC will update its directory of VA economic researchers, to provide HSR&D researchers with the names of potential collaborators with economic expertise.

HERC will create a database with cost estimates of all hospital stays and outpatient encounters provided by VA in FY08, and update the inpatient and outpatient guides to these data.

HERC will create a guide to the VA payroll database, PAID.

- New DSS products

HERC will update its guide to DSS encounter-level extracts. It will create a guide to the DSS Intermediate Product Department extracts, which provide department-level cost subtotals for outpatient visits and inpatient stays.

HERC will develop a prototype national data extract of DSS inpatient discharge data, providing a data set with cost and length of stay in each of 10 categories of inpatient care.

HERC will also develop an annual facility level data set with the DSS cost incurred in each of ten categories of inpatient care and 13 categories of outpatient care.

- HERC supplements

HERC will continue to assist with the design of economic evaluations of QUERI efforts and to contribute to reviews of the QUERI R&M Committee. HERC will coordinate monthly HSR&D economics Cyber-Seminars, and recruit non-VA experts to participate as Cyber-Seminar faculty.